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POLAND

TRADE
Foreign Trade

Swedish Coal Agreement Signed.

SOURCE STOCKHOLM: Interview with Swedish negotiator

DATE OF OBSERVATION: current

The rather embittered fight for lower Polish coal-prices, which has been raging almost continuously since the end of August 1952, ended with a Swedish victory on 10 October when a new agreement, providing for a Polish export of 825,000 tons until the end of January 1953 was signed. WOLYNSKI Alexander, the head of the protocol section of the WARSAW Ministry for Foreign Trade, succeeded on his recent visit in Poland, in convincing his government that only sharply cut prices would gain the access to the valuable Swedish iron ore, Sweden's most powerful weapon in trade dealings with Poland. Since 22 September 1952 no iron ore has been shipped to Poland.

The reduction of the large coal, constituting the bulk of Sweden's import is 18 per cent, or from 17.62 ton fob Polish harbor to 14.46. This is the second reduction in 1952, since 20 per cent were cut off the prices at negotiations in May. Ordinarily sized coal has been reduced, according to the new treaty, from \$16.62 to \$14.11 and small coal from \$12.50 to \$9.98. Polish coal is now about 10 shillings cheaper than English. The prices the Swedes obtained from the Poles are a little lower than those paid by the Danes and the Norwegians.

According to the over-all Swedish-Polish trade agreement, Sweden is to buy a coal contingency amounting now to 1.30 million tons. The reason why the newly signed treaty covers only 825,000 tons is that prices are generally believed to sink even lower. It is thus expected that talks will be resumed sometime in January 1953.

Conversations as to the best way in which Poland might be able to eradicate her 60 mill. dollar debt in Sweden will yet continue in STOCKHOLM for some time.

EVAL. COMMENT: None